

## **Policy PSWG Subcommittee Report**

### **Group Charge**

Throughout the duration of the PSWG, serve as a clearinghouse for discussion, coordination, and clarification of policy issues that need to be addressed by PSWG. Recommend transaction security, and transport mechanisms. Additionally, develop and recommend to the ACC an on going, market change request process related to electric deregulation.

### **Objectives**

1. Develop and recommend an on going market change control process to be utilized by the ACC and the market participants.
2. Recommendation to the PSWG on security issues related to electric deregulation business transactions.
3. Recommendation to the PSWG on transport issues embedded in the proposed electric deregulation business transaction processes.
4. Identify and communicate to PSWG policy issues that need resolution in order to guide subcommittee deliberations or PSWG recommendations.

### **Steps to Achieve Recommendations**

1. Identify policy and implementation issues.
2. Solicit position papers from interested participants.
3. Determine what rules, tariffs, and or operating procedures are affected.
4. Develop recommendation, wavier, or document issue with no resolution.

### **Summary**

This section of the report contains information specific to issues that were presented by the participants. The group prioritized the issues depending on the immediacy of need for processes that are going on for direct access.

The recommended resolutions in this report will have issue, resolution or discussion, Market benefits, implementation plan and market participants as well as UDC positions. Additionally, each section will identify if the proposal is a business process that has been agreed to standardize between the UDCs and the Providers which requires **NO** Commission action or a proposal that requires Commission action (i.e. Rule, Wavier, operational procedure or UDC Tariff change).

Issues that have been resolved:

### **Issue #1**

XML versus EDI

These are data format used to electronically transfer data. Which should be used for Arizona's market? (Appendix P1 for XML-EDI White paper.)

Resolution:

EDI will be the format used to electronically transfer data.

**Market Benefits:**

There are not any available versions of XML in use at present time. EDI is being used by market participants and formats needed for Direct Access have been created by the UIG and others.

**Implementation Plan:**

The PSWG is in the process of developing EDI formats for use in Arizona's market. As each implementation and user guide is completed the market participants will be given a time line for implementing the specific format. Arizona also needs to keep XML on it radar screen.

**Issue #2**

Need to define 'standardized workday'.

Market participants are defining 'workdays' for time frames for work to be completed. The problem is that some companies are including holidays that are not recognized by others.

**Resolution:**

Standardized Work Days using a modified NERC holiday schedule.

The modification is need as NERC holiday's do not take into account weekends. Modify NERC holiday's so that if holiday falls on a Saturday it is recognized on a Friday, if the holiday falls on a Sunday, it is recognized on a Monday.

**Market Benefits:**

Most of the providers of retail service are not 7days a week operations. These include billing, metering, meter reading, and DASR services.

**Implementation Plan:**

This will require a change to rule R14-2-1612-K12. PSWG participants will be submitting a wavier for short term solution. (Appendix P2 Wavier for Workdays.)

**Issue #3**

All Arizona EDI (DASRs, 867, 810, 650) should use a standardize time for business transaction. This will help to avoid problems and unnecessary costs to conform to national standardization in the future.

**Resolution:**

All Arizona EDI transaction set data content will utilize time standard as defined by NERC. The enveloping of the EDI transactions will utilize the sender's local time.

**Market Benefits:**

This change would help market participants, particularly MDMA/MRSPs, to save costs by not having to adapt their systems to Arizona's unique requirements. In addition it may prevent costly errors during settlement process.

**Implementation Plan:**

This will require a change in the ACC Direct Access Operating Procedures that are approved by the Utilities Director. A letter signed by all PSWG participants will be sent to staff asking that this be done. (P3 Change Time stamp.)

**Issue #4**

The rules prohibit UDC from providing metering services for commercial load profile customer which has the effect of preventing these customer from having a choose. Affected Co-ops are allowed to provide these services within in their areas. Providers agree that it is too costly for alternate providers to read the meters at the premises. It is also not cost effective to put remotely read meters at these premises and is why they were allowed to load profile in the beginning.

**Resolution:**

Allow UDC to provide MSP and MRSP services for commercial load profile customers.

**Market Benefits:**

Gives small commercial customers retail chose.

**Implementation Plan:**

A change in rule number R14-2-1615-B1 will be need.

Current Rule: This Section does not preclude an Affected Utility or Utility Distribution Company from billing its own customers for distribution service, or from providing billing services to Electric Service Providers in conjunction with its own billing, or from providing Meter Services and Meter Reading Services for Load Profiled residential customers.

Revised Rule: This Section does not preclude an Affected Utility or Utility Distribution Company from billing its own customers for distribution service, or from providing billing services to Electric Service Providers in conjunction with its own billing, or from providing Meter Services and Meter Reading Services for Load Profiled residential or commercial customers.

For an interim fix the affected utilities will be applying for waivers. (Appendix P4)

**Issue #5:**

For all Billing and Metering data, UDCs should employ the same rule and/or formula for rounding up data and rounding in calculations.

**Resolution:**

No Standardization needed.

**Issue #6:**

There is no formalized process to report meter exceptions between UDCs and ESPs.

**Resolution:**

It has been agreed that a formal communication method (similar to MADEN) will be utilized.

**Market Benefits:**

This is need for communication between participants so that problems can be corrected before customers receive incorrect bills.

**Implementation Plan:**

The details of what data elements/guidelines will be discussed in both the metering & billing subcommittees.

**Issues that have been presented and are still under discussion:**

Ownership of Current Transformers (CTs) and Voltage Transformers (VTs) and related issues.

Are 997s required for all transactions?

Non-availability of local alternatives for providing competitively priced metering services.

Clarification on when an UDC can be an MSP. ACC Rules Question: Can the UDC provide metering and installation services for DA customer?

UDCs and market participants need a clearly-defined communication process for promptly communicating and resolving problems with data, meters, or bills among ESPs, MSPs, MRSPs, and the UDCs

Will the UDCs allow ESPs to interrogate meters on non-DA customers for load research purposes/ billing option purposes?

Standardization of Billing Options (ESP and UDC consolidated billing as well as Dual billing) from all UDCs should be implemented immediately to provide customer choice.

UDC fees for Direct Access services (CISR, DASR, metering, meter reading, billing, settlement, etc.) are too high and not consistent between UDCs.

## **DRAFT**

Who is responsible for tracking the performance of MSP and MRSP's? What is the process for communicating this information?

What is the enforceability of the recommended processes or rules of non-ACC jurisdictional entities?

A utility can back-bill a 3<sup>rd</sup> party (if the 3<sup>rd</sup> party is at fault) up to 12 months (R14-212-/e3). This is only specific to the utility. Should the rule be applicable to other participants other than just the utility?

Should UMI number be required?

There is no language in the rules keeping the MSP from contracting directly with the customers, how should this issue be addressed?